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SUBJECT: URUGUAYAN AMBASSADOR TO VENEZUELA IS UNUSUALLY CRITICAL OF CHAVEZ IN REMARKS TO VISITING LEGISLATORS

- 11. (U) On May 8, reputed Uruguayan business weekly "Busqueda" reported on remarks, unusually critical of President Chavez, made by Uruguay's Ambassador to Venezuela Geronimo Cardozo to a group of visiting Uruguayan legislators during a gathering at his residence. The group, in Caracas for a session of the Latin American Parliament (Parlatino), was composed of three legislators from the ruling Frente Amplio (FA), generally friendly to Chavez, and three from the opposition Blanco Party, generally critical of the Venezuelan President.
- 12. (U) According to the legislators named and quoted by Busqueda, Cardozo stated that Chavez's economic policy was a disaster, and that Venezuela is "enduring a critical situation" which "no one knows how it will all end". Cardozo complained about difficulties in implementing the business deals struck between Caracas and Montevideo, due to the "brutal corruption" in the Government of Venezuela (GOV). He complained that GOV officials had misled him in a recent deal for the sale of Uruguayan software, where the GOV had favored Argentine providers at the last minute.
- 13. (U) Cardozo also stated that Telesur, the television channel consortium championed by Chavez, of which Uruguay is a member, is an "enemy of Uruguay." He noted that Telesur had broadcast Chavez's anti-U.S. rally in Buenos Aires during President Bush's visit to Uruguay last year, and had referred to Uruguayan President Vazquez on this occasion as a traitor ("vende patria" in Spanish). He suggested that the GOU should just pull out of Telesur altogether. Cardozo's wife was also quoted as complaining about the extensive food shortages in Caracas.
- 14. (U) While the Blanco legislators who attended the gathering were obviously pleased with Cardozo's open and candid remarks, FA legislators were shocked. Still, a legislator from the MPP, the largest faction within the FA, told Busqueda that Cardozo's depiction of Chavez did not surprise him, although he personally had not attended the gathering in Caracas. This MPP legislator remarked that "some FA comrades thought that Chavez had the same skills and talents as Fidel (Castro). But Chavez is nothing more than an oil hose (una manguera de petroleo)."
- 15. (U) Cardozo tried to walk his comments back in a subsequent article published May 9 in the leftist daily, "La Republica." Cardozo said his comments were taken out of context from a private meeting with the legislators. He insisted that he maintains the confidence of the Venezuelan President and the "Busqueda" article was "simply trash and lacked ethics." A second article in Ultimas Noticias reported that legislators involved had confirmed the statements but characterized the meeting as private briefing by an Ambassador which should not have been made public.

COMMENT

16. (SBU) Comment: Cardozo's comments are surprising, coming from someone who was thought of as having a good relationship with Chavez. There have been persistent rumors over the past couple of years that Cardozo was involved in shady business deals with the GOV. It is quite possible that one of these deals went sour (Cardozo was rumored to stand to make a significant personal gain out of the software deal), and he decided to "spill the beans" in retaliation.

BAXTER